

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 07, 2014

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS: Senators Co-chairman Cameron, Keough, Mortimer, Vick, Nuxoll, Johnson, Bayer, Thayne, Schmidt, Lacey

Representative(s) Co-chairman Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

**ABSENT/
EXCUSED:** None

CONVENED: Chairman Bell convened the meeting at 8:00 a.m.

SETTING FY 2015 APPROPRIATIONS

PUBLIC SCHOOLS

Division of Central Services

PRESENTER: **Paul Headlee, Deputy Division Manager, Budget and policy Analysis**

Original Motion

Moved by **Cameron**, seconded by **Keough**, to accept intent language **SECTION 9, Option 1**, to be incorporated in the appropriation bill for FY 2015 Public School Support, Program Division of Central Services.

SECTION 9 Of the moneys appropriated in Section 3 of this act, \$2,400,000 shall be expended or distributed as follows:

(1) up to \$2,250,000 of one-time moneys shall be expended or distributed by the superintendent of public instruction for the installation, repair, replacement and support of a wireless technology infrastructure, in each public school serving high school grades, of sufficient capacity to support utilization of mobile computing devices by all students in such grades in the following ways:

- a. expend for any current contracts entered into between the State Department of Education for wireless technology infrastructure,
- b. distribute to school districts and charter schools that did not submit an approved application to receive wireless technology infrastructure pursuant to the statewide contract, \$21.00 per student enrolled at such schools, in such grades, and
- c. distribute to school districts and charter schools currently receiving services under the statewide contract for wireless technology infrastructure that choose, during the remaining time period of fiscal year 2014, to withdraw from such services, \$21.00 per student enrolled at such schools, in such grades.

(2) To receive moneys in Subsection 1 (a),(b),or (c), the wireless technology infrastructure must meet or exceed standards established in Idaho Code or State Board of Education administrative rule.

(3) The superintendent of public instruction shall collaborate with the Legislative

Branch in performing service audits to ensure compliance and district satisfaction.

(4) If actual expenditures in Subsection 1 exceed the amount specified in said subsection, the difference shall be included in the year-end reconciliation used to calculate funding available to meet the requirements of Section 33-1018, Idaho Code, notwithstanding any laws to the contrary.

(5) up to \$150,000 may be expended by the superintendent of public instruction for the development and maintenance of an internet-based portal of available online, nonsectarian K-12 or dual credit courses available from any of the following: (a) Idaho digital learning academy; (b) Idaho public school districts; (c) Idaho public charter schools; (d) Idaho public colleges and universities; (e) Idaho private colleges and universities accredited by the same organization that accredits Idaho's public colleges and universities; and (f) any provider of online courses; provided however, that the courses available on the portal have been verified and approved by the state department of education to meet state content standards. Of the amounts allocated pursuant to subsections (1) and (5) of this section, no more than \$190,000 may be utilized by the superintendent of public instruction for technology staff support costs. The dollars allocated for subsections (1) and (5) of this section may be reallocated between said subsections by the superintendent of public instruction, subject to a ten percent (10%) maximum cumulative change in the allocated amounts.

Substitute Motion

Moved by **Mortimer**, seconded by **Thayn**, to accept legislative intent language **SECTION 9 Option 2** to be incorporated in the appropriation bill for FY 2015 Public Schools Support Program, Division of Central Services.

SECTION 9. Of the moneys appropriated in Section 3 of this act, \$2,400,000 shall be expended or distributed as follows:

(1) up to \$2,250,000 of one-time moneys may be expended by the superintendent of public instruction for the installation, repair, replacement and support of a wireless technology infrastructure, in each public school serving high school grades, of sufficient capacity to support utilization of mobile computing devices by all students in such grades. Provided, however, that any school district or public charter school serving such grades that did not submit an approved application to receive wireless technology infrastructure pursuant to the statewide contract may choose to receive a distribution from these moneys of \$21.00 per student enrolled at such schools, in such grades. Receipt of the distribution will require the receiving school district or public charter school to demonstrate that it has a wireless technology infrastructure that meets or exceeds performance and reliability standards established in Idaho Code or State Board of Education administrative rule. Further, the superintendent of public instruction shall collaborate with the Legislative Branch in performing service audits to ensure compliance and district satisfaction.

(2) up to \$150,000 may be expended by the superintendent of public instruction for the development and maintenance of an internet-based portal of available online, nonsectarian K-12 or dual credit courses available from any of the following: (a) Idaho digital learning academy; (b) Idaho public school districts; (c) Idaho public charter schools; (d) Idaho public colleges and universities; (e) Idaho private colleges and universities accredited by the same organization that accredits Idaho's public colleges and universities; and (f) Any provider of online courses; provided however, that the courses available on the portal have been verified and approved by the state department of education to meet state content standards.

Of the amounts allocated pursuant to subsections (1) and (2) of this section, no more than \$190,000 may be utilized by the superintendent of public instruction for

technology staff support costs. The dollars allocated for subsections (1) and (2) of this section may be reallocated between said subsections by the superintendent of public instruction, subject to a ten percent (10%) maximum cumulative change in the allocated amounts.

FAILED: **Substitute Motion Roll Call Vote**

Ayes: 9

Mortimer, Vick, Nuxoll, Bayer, Thayn, Eskridge, Thompson, Stevenson, Youngblood

Nays: 11

Cameron, Keough, Johnson, Schmidt, Lacey, Bell, Bolz, Gibbs, Miller, Ringo, King

Ab/Ex: 0

CARRIED: **Original Motion Roll Call Vote**

Ayes: 15

Cameron, Keough, Johnson, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 5

Mortimer, Vick, Nuxoll, Bayer, Thayn

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF HEALTH AND WELFARE

PRESENTER: **Jared Tatro, Senior Budget and Policy Analyst**

Division of Medicaid

CARRIED: **Original Motion**

Moved by **Schmidt**, seconded by **Stevenson**, to approve for introduction \$492,347,100 General Funds, \$187,726,100 Dedicated Funds, \$1,353,216,800 Federal Funds for a total of \$2,033,290,000 with FTP of 210.00

Ayes: 17

Cameron, Keough, Mortimer, Johnson, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 2

Nuxoll, Bayer

Ab/Ex: 1

Vick

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

**UNANIMOUS
CONSENT**

On request by **Schmidt**, granted by unanimous consent, the legislative intent language, was accepted and will be incorporated in the Division of Medicaid appropriation bill.

**INTENT
LANUGAGE:**

MEDICAID TRACKING REPORT. The Department of Health and Welfare, Medicaid Division and Indirect Support Services Division, shall deliver on a monthly basis to the Legislative Services Office and the Division of Financial Management a report that compares the Medicaid budget as appropriated, distributed by month for the year, to actual expenditures and remaining forecasted expenditures for the year. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report, and the information included therein, shall be determined by the Legislative Services Office and the Division of Financial Management.

TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments expenditure class in the Medicaid Division may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, and Medicaid Administration and Medical Management Program, but shall not be transferred to any other budgeted programs or expenditure class within the Department of Health and Welfare during fiscal year 2015.

REPORTING ON IMPLEMENTATION OF HOUSE BILL NO. 260 OF 2011. The Medicaid Division shall report on a quarterly basis the status of the implementation of House Bill No. 260, as enacted by the First Regular Session of the Sixty-first Idaho Legislature, to the Legislative Services Office and the Division of Financial Management. The report shall, at a minimum, include benefit modification implementation updates on both long-term and short-term changes, and actual cost savings realized as a result of those changes compared to estimated savings for each modification. The format of the report, and information contained therein, shall be determined by the Legislative Services Office and the Division of Financial Management.

MEDICAID MANAGED CARE IMPLEMENTATION. The Medicaid Division shall provide quarterly reports to the Division of Financial Management and the Legislative Services Office on progress in integrating managed care approaches into the state Medicaid system. The format of the report, and information contained therein, shall be determined by the Legislative Services Office and the Division of Financial Management

Division of Welfare

CARRIED:

Original Motion

Moved by **Stevenson**, seconded by **Schmidt**, to approve for introduction \$39,085,800 General Funds, \$2,847,600 Dedicated Funds, \$109,195,600 Federal Funds for a total of \$151,129,000 with FTP of 616.55

Ayes: 15

Cameron, Keough, Johnson, Schmidt, Lacey, Bell, Bolz, Eskridge, Thompson, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 4

Mortimer, Nuxoll, Bayer, Thayn

Ab/Ex: 1

Vick

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

UNANIMOUS CONSENT: On request by **Stevenson**, granted by unanimous consent, the legislative intent language, was accepted and will be incorporated in the Division of Welfare appropriation bill.

INTENT LANGUAGE: **ACTUAL AND FORECAST DETAIL REPORTING.** The Division of Welfare shall deliver the Self-Reliance Programs Forecast to the Legislative Services Office and Division of Financial Management no less than quarterly. The report shall include monthly caseload details for Temporary Assistance for Needy Families (TANF), Child Care, Medicaid, Aid to the Aged, Blind and Disabled, Food Stamps, and Child Support programs. The Self-Reliance Programs Forecast shall also include expenditure details for all of the named programs with the exception of Medicaid. The format of the report, and any additional information contained therein, shall be determined by the Legislative Services Office and Division of Financial Management.

CLARIFYING GUIDANCE ON EMPLOYEE COMPENSATION. Relating to the direction provided in this act, which encourages the use of "salary savings" for merit increases, reduced reliance on the General Fund for personnel costs resulting from changes in federal match rates are not considered "salary savings," and should not be considered for use as such. Any General Fund personnel cost savings resulting from changes in federal match rates should be identified by the Division of Welfare for discussion next legislative session.

DEPARTMENT OF HEALTH AND WELFARE —Trailer to S1329

PRESENTER: **Jared Tatro, Senior Budget and Policy Analyst**

Physical Health Services and Emergency Medical Services

CARRIED: **Original Motion**

Moved by **Schmidt**, seconded by **Stevenson**, to the Emergency Medical Services Program for fiscal year 2015, the appropriation and transfer of \$225,800 from General Fund to the Time Sensitive Emergencies Registry Fund as found in Section 13 of S1329 in the 2014 Legislative Session that amends Section 57–2005 of Idaho Code.

Ayes: 14

Cameron, Keough, Johnson, Schmidt, Lacey, Bell, Bolz, Eskridge, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 4

Mortimer, Nuxoll, Bayer, Thayn

Ab/Ex: 2

Vick, Thompson

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

CARRIED:

Original Motion

Moved by **Schmidt**, seconded by **Stevenson**, to the Department of Health and Welfare for the Physical Health Services Program, as appropriated Section 1 of S1383 of the 2014 Legislative Session, a reduction of \$81,400 in personnel costs, a reduction of \$15,000 in operating expenditures from the General Fund, and a reduction of 1 FTP for fiscal year 2015. Furthermore, for the Emergency Medical Services Program an additional \$96,400 in personnel costs from the General Fund and 1 additional FTP for fiscal year 2015. Lastly, \$225,800 in operating expenditures for the Emergency Medical Services Program from the Time Sensitive Emergencies Registry Fund for fiscal year 2015.

Ayes: 14

Cameron, Keough, Johnson, Schmidt, Lacey, Bell, Bolz, Eskridge, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 4

Mortimer, Nuxoll, Bayer, Thayn

Ab/Ex: 2

Vick, Thompson

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

DEPARTMENT OF ENVIRONMENTAL QUALITY

PRESENTER:

Ray Houston, Principal Budget and Policy Analyst

Water Quality, and Administrative and Support

H406 Trailer: NPDES Primacy

CARRIED:

Original Motion

Moved by **King**, seconded by **Johnson**, to approve for introduction to the Department of Environmental Quality for fiscal year 2015, an additional three full-time equivalent positions and \$300,000 ongoing from the General Funds as follows: \$7,500 in operating expenditures for the Administration and Support Services Program; and \$284,600 in personnel costs and \$7,900 in operating expenditures for a total of \$292,500 for the Water Quality Program. ongoing

Ayes: 18

Cameron, Keough, Mortimer, Nuxoll, Johnson, Bayer, Thayn, Schmidt, Lacey, Bell, Bolz, Eskridge, Gibbs, Stevenson, Miller, Youngblood, Ringo, King

Nays: 0

Ab/Ex: 2

Vick, Thompson

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Bell.

**LSO STAFF
REPORT:**

Cathy Holland-Smith, Division Manager, Budget and Policy Analysis, presented a report depicting the General Fund Budget Update. The report listed pending action needed for transfers to reserve funds. The next meeting will be on Tuesday, March 11th, to consider trailer bills.

ADJOURN: There being no further business to come before the Committee, Chairman Bell adjourned the meeting at 9:35 a.m.

Representative Bell
Chair

Kathryn Yost
Secretary